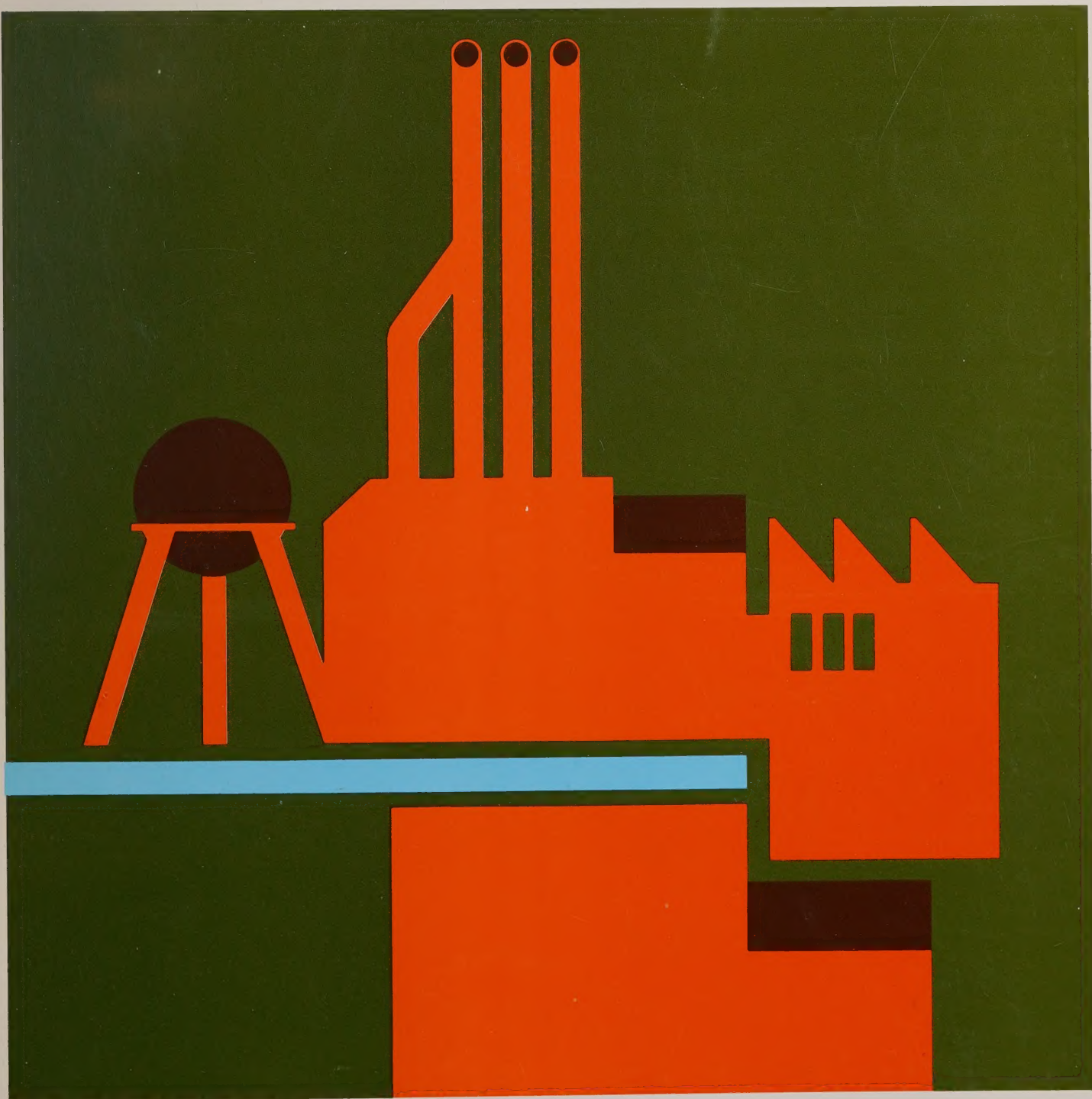
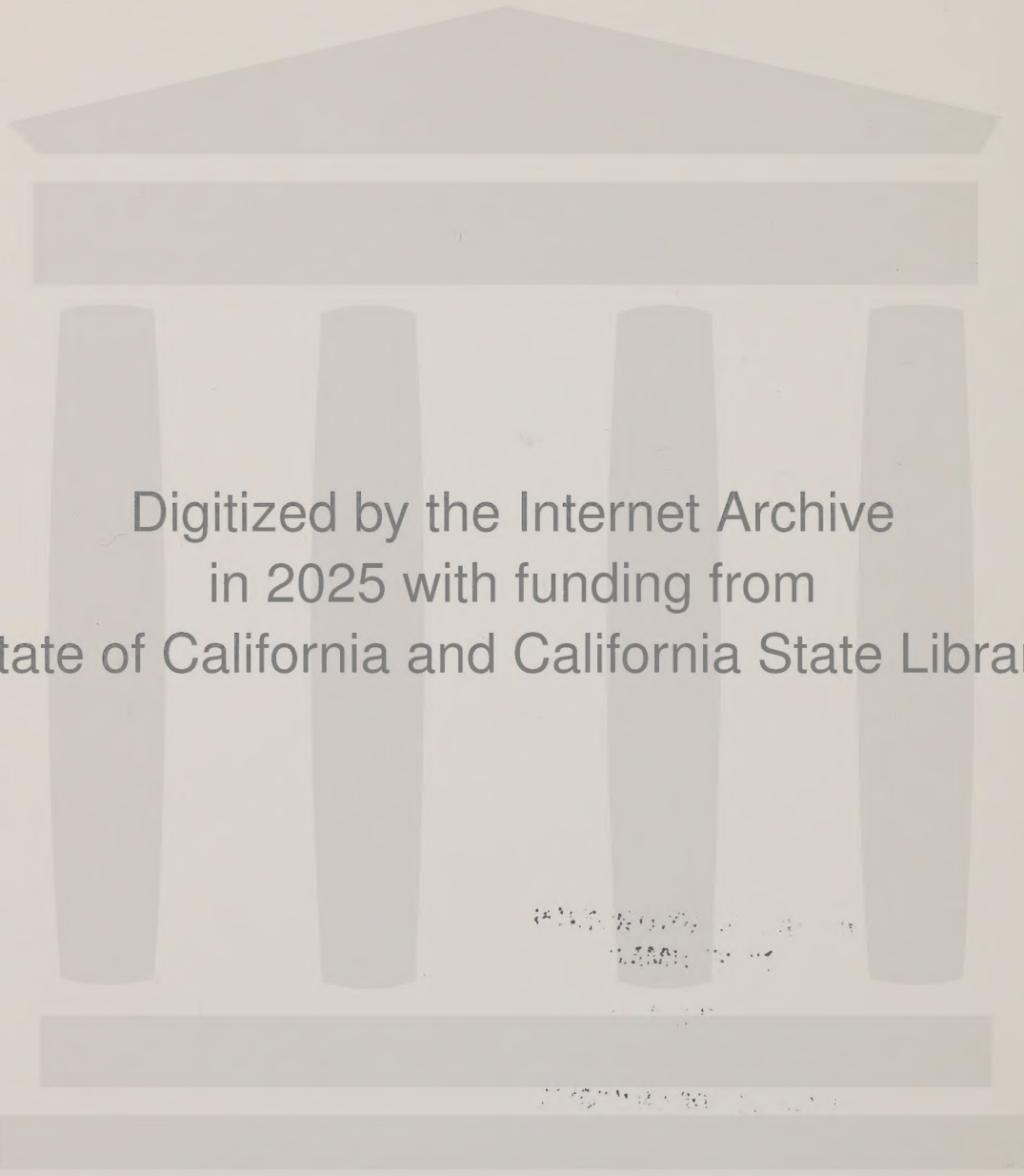


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Chino Basin  
Municipal Water District  
San Bernardino County  
California  
\$1,000,000 1967 Bonds  
Series E



Sale: August 6, 1975  
Bartle Wells Associates



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## CHINO BASIN MUNICIPAL WATER DISTRICT

San Bernardino County, California

Formed June 6, 1950

8555 Archibald Avenue  
Cucamonga, California 91730

### BOARD OF DIRECTORS

Carl B. Masingale, *President*

Ray W. Ferguson, *Vice President*

Ernest L. Keechler, *Secretary-Treasurer*

Dick W. Pehl

John G. Gilday

E. Gil Ross, *General Manager*

Theo T. Nowak, *Assistant General Manager and  
Chief Engineer*

Clayson, Stark, Rothrock & Mann, *District Counsel*

O'Melveny & Myers, *Bond Counsel*

The Bonds are offered subject to the unqualified approving opinion of Messrs. O'Melveny & Myers, Bond Counsel, Los Angeles, California, as to the validity of the Bonds (see "Legal Opinion").

James M. Montgomery, Consulting Engineers, Inc.

Bartle Wells Associates, *Financing Consultants*

Bank of America N.T. & S.A., Los Angeles and  
San Francisco, *Paying Agents*

The Chase Manhattan Bank, N.A., New York,  
*Co-Paying Agents*

The First National Bank of Chicago, Chicago,  
*Co-Paying Agents*

Bids for the Chino Basin Municipal Water District 1967 Bonds, Series E will be received on behalf of the district at Bank of America N.T. & S.A., Corporate Agency Division, 111 West Seventh Street, Los Angeles, at 11:00 a.m. (Pacific Time), Wednesday, August 6, 1975. Separate bids are required for both Series D and Series E, to be sold the same day, but bidders are not required to submit bids on both series.

Data in this statement were obtained from sources believed current and reliable. Estimates and opinions are included and should not be interpreted as statements of fact.

July 16, 1975

Official Statement prepared by

BARTLE WELLS ASSOCIATES

Municipal Financing Consultants

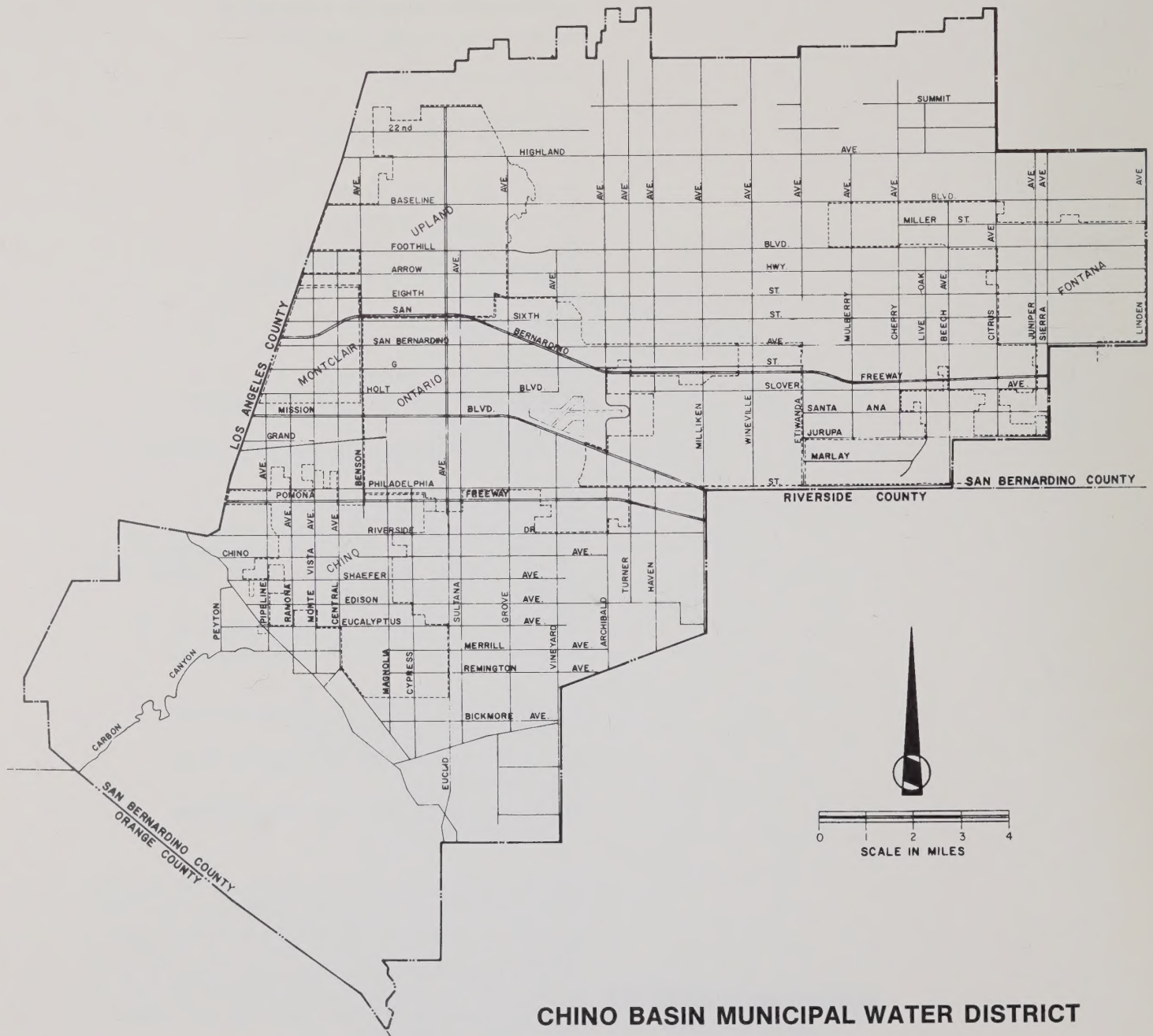
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## BOND SUMMARY

### CHINO BASIN MUNICIPAL WATER DISTRICT SAN BERNARDINO COUNTY, CALIFORNIA

#### THE BONDS

*Name of Issue:* Chino Basin Municipal Water District, 1967 Bonds, Series E.

*Bond Amount and Type:* \$1,000,000 general obligation bonds.

*Denomination:* \$5,000.

*Interest:* Paid annually first year, on July 1, 1976, and semiannually thereafter on each January 1 and July 1.

*Maturities:* Bonds dated July 1, 1975, due July 1 in each year as follows:

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1977 .....	\$35,000
1978 .....	40,000
1979 .....	45,000
1980-95 .....	55,000

---

*Redemption:* Bonds maturing 1977-1985 (\$450,000) not callable. Bonds maturing 1986-1995 (\$550,000) callable as a whole or in part on any interest payment date on or after July 1, 1985. Premium is  $\frac{1}{2}$  of 1 percent per year, plus  $\frac{1}{2}$  percent, or  $5\frac{1}{2}$  percent maximum.

*Security:* Bonds are general obligations of district; ad valorem taxes are levied on all taxable property for payment of bond service.

*Additional Bonds:* The balance of the 1967 authorization will be sold simultaneously with Series E. No additional bonds are authorized.

*Purpose of Bond Issue:* To construct a Cereco process plant for the disposal of non-reclaimable industrial waste water of the dairy industry.

*Legal Opinion:* The bonds are offered subject to the unqualified approving opinion of Messrs. O'Melveny & Myers, Bond Counsel, Los Angeles, California, as to the validity of the bonds (see "Legal Opinion" in official statement).

*Legality for Investment:* Bonds are legal investments in California for trust funds, commercial banks, and savings banks, trust companies, and funds of insurance companies.

*Tax Exemption:* Interest exempt from federal and state income taxes under existing laws.

*Paying Agents:* Bank of America, N.T. & S.A., Los Angeles; Chase Manhattan Bank, New York; First National Bank of Chicago, Chicago.

*Average Life of Bonds:* 11.37 years.

*Ratings:* Moody's Investors Services, Inc. — A.  
Standard & Poor's Corporation — A+.

*Sale Date:* Wednesday, August 6, 1975; 11:00 a.m., Los Angeles. Separate bids are required for each series, but bidders are not required to submit bids on both series.

#### THE DISTRICT

*Assessed Valuation:* \$772,029,040.

*Population:* 250,000.

*Area of District:* 242 square miles.

*Direct Debt Ratio:* To assessed valuation—2.01%.  
(Includes Series D and E) Per capita—\$61.96.

#### Tax Levies and Delinquencies:

---

	Secured Tax Levy	Amount Delinquent June 30	Percent Delinquent June 30
1969/70 .....	\$ 938,887	\$34,948	3.00%
1970/71 .....	1,103,962	20,387	1.70
1971/72 .....	1,879,596	49,401	2.63
1972/73 .....	2,125,878	85,688	4.03
1973/74 .....	2,683,935	85,822	3.19

---

Data in this summary are intended to be used in conjunction with the official statement and official notice of sale dated July 16, 1975.

Chino Basin Municipal Water District (CBMWD) was organized in 1950 to plan for and provide supplemental water from the Colorado Aqueduct and the State Water Project via the facilities of the Metropolitan Water District of Southern California. The district has expanded its functions to total basin water management including: investigating, conserving, and defending basin water resources, disposing of nonreclaimable wastes originating in the basin or adjacent territories, and providing for regional treatment facilities for processing domestic sewage.

The \$1,000,000 Series E general obligation bonds being sold by the district are the last of a \$16,000,000 bond authorization approved by the voters of the district in 1966. Series E bond proceeds will be used to finance construction of a dairy waste separation plant.

CBMWD covers 242 square miles in the west end of San Bernardino County, and has a highly diversified economic base. Important segments of the economy include manufacturing, government, services, agriculture, and retail and wholesale trade.

Manufacturing, dominated by Kaiser Steel Corporation's plant at Fontana, is the largest industry in terms of number of employees, and food processing and fabricated metals rank next in importance. Major employers in the district include Kaiser Steel Corporation, General Electric Company, Lockheed Aircraft, Sunkist Growers, General Knit of California, Frito-Lay and Otis Elevator.

The Chino Basin area is one of San Bernardino County's most productive agricultural areas, having over 61 percent of the county's total agricultural income. San Bernardino County is the leading milk producing county in the nation and the district has 302 of the county's 317 dairies. Total value of agricultural production in San Bernardino County for 1974 was \$285,603,000. Livestock and poultry accounted for 83.3 percent of this total

and the district alone generated over 70 percent of the livestock and poultry valuation.

A good transportation network linking the district to major communities in California and throughout the United States has enhanced economic growth in CBMWD. The highway system includes three freeway routes to the Los Angeles-Orange County metropolitan area. Southern Pacific, Union Pacific, and the Santa Fe railroads serve the district, and Southern Pacific's \$39 million classification yard is located adjacent to the district. Ontario International Airport is currently served by seven major carriers providing daily service to 23 major cities throughout the United States.

Population in CBMWD is currently estimated at about 250,000. The district includes the cities of Ontario, Chino, Fontana, Montclair, and Upland, and the unincorporated communities of Cucamonga, Alta Loma, Etiwanda, and Chino Hills.

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#### CHINO BASIN MUNICIPAL WATER DISTRICT ECONOMIC INDICATORS 1974/75

Assessed valuation .....	\$772,029,040
Population .....	250,000
Employment .....	65,100
Manufacturing .....	20,600
Trade .....	14,275
Services .....	10,020
Government .....	9,850
Agricultural production .....	\$176,834,700
Livestock and poultry .....	\$170,783,500
Field crops .....	\$ 4,175,900
Vegetable, fruits, nuts .....	\$ 1,875,300
Taxable retail sales (5 cities) .....	\$480,185,000

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INTRODUCTION

Chino Basin Municipal Water District (CBMWD) covers the urban west end of San Bernardino County, California, immediately east of the Los Angeles County line. The district encompasses 242 square miles and includes the cities of Ontario, Upland, Montclair, Fontana, and Chino and the unincorporated communities of Cucamonga, Alta Loma, Etiwanda and Chino Hills. It extends from the Los Angeles County line to the eastern boundary of Fontana and from the base of the San Gabriel Mountains to the Riverside and Orange County boundaries. The district population is estimated at 250,000, and its assessed valuation is \$772,029,040, each representing over one-third of the San Bernardino County total.

The district, organized in 1950, is the only San Bernardino County member agency of the Metropolitan Water District (MWD) of Southern California. CBMWD is also a member of the Santa Ana Watershed Project Authority (SAWPA), which was formed to implement water quality projects planned by the four major water districts serving the Santa Ana Watershed.

The district's primary functions include planning for and providing supplemental water supplies via MWD facilities from the Colorado River Aqueduct and the State Water Project; investigation, conservation, and defense of district water resources; disposal of nonreclaimable wastes originating in the basin or adjacent territories; and, since 1973, provision of regional treatment facilities for processing domestic sewage.

In 1967, 1968, and 1972, CBMWD sold a total of \$13,000,000 of bonds for construction of the first non-reclaimable industrial waste disposal system designed to serve an inland basin. Twenty-two industries have contracted for use of the district's facilities.

Series E bonds are now being offered to provide funds for the dairy waste separation plant which is being built by the district and which is proposed to be leased to the Ceres Ecology Corporation for operation. Dairy waste is separated by a patented process into silage, protein, and ash.

CBMWD's diversified economy, constituting the most heavily industrialized half of the San Bernardino Valley, is a key element of the San Bernardino-Ontario-Riverside metropolitan area. The district's economy is also significantly reinforced by the market potential provided by its proximity to Los Angeles and Orange Counties.

CBMWD's major employers includes the Kaiser Steel plant at Fontana, the West's only integrated mill, plus the Kaiser fabricating plants. Other nationally known industries in the Chino Basin area include Lockheed Aircraft, General Electric, Linde Air Products, Koppers Company, Otis Elevator, General Knit, Goodyear, and Frito-Lay.

Agriculture is well established in the Chino Basin area with dairying near Chino, wine grapes in Cucamonga and Guasti, and citrus in the northern area. The southwest portion of the district, around Chino, is one of the most productive agricultural areas in Southern California. The Orange Products Division of Sunkist Growers at Ontario is one of the area's large employers.

CBMWD is served by three major rail lines—Southern Pacific, Santa Fe and Union Pacific—and is traversed by Interstate 10 (the San Bernardino Freeway) and State Highway 60 (the Pomona Freeway). The Devore Freeway, a north-south State route, is currently under construction through the district.

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District Functions and Projects . . . . .	8
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## THE BONDS

*Description:* \$1,000,000 Chino Basin Municipal Water District 1967 Bonds, Series E (general obligation), \$5,000 denomination.

*Date:* July 1, 1975.

*Interest:* Coupons payable annually the first year on July 1, 1976 and semiannually in each year thereafter on January 1, and July 1.

*Maturities:* Annually on July 1 as follows:

---

1977 .....	\$35,000
1978 .....	40,000
1979 .....	45,000
1980-95 .....	55,000

---

6 *Redemption:* Bonds maturing on or before July 1, 1985 (\$450,000 principal amount) not subject to call or redemption. Bonds maturing on and after July 1, 1986 (\$550,000 principal amount) subject to optional call and redemption as a whole or in part on any interest payment date on and after July 1, 1985, in inverse order of maturity and number. Premium is  $\frac{1}{2}$  of one percent plus  $\frac{1}{2}$  of one percent for each year or portion of a year from the date of redemption to the maturity date, not to exceed  $5\frac{1}{2}$  percent.

*Registration:* Coupon bonds, registrable as to principal only or as to both principal and interest, with provisions for deregistration and reregistration.

*Security:* General obligations of Chino Basin Municipal Water District. The district has the power and is obligated to levy ad valorem taxes for the payment of principal and interest on the bonds upon all taxable property within the district without limitation as to rate or amount. The district intends to pay a portion of annual bond service from service charges and other district revenues.

*Tax Exemption:* In the opinion of bond counsel, interest is exempt from present federal income taxes and from California personal income taxes under existing statutes, regulations, and court decisions.

*Payment:* At the office of the District Treasurer, and at paying agents: Bank of America N.T. & S.A., Los Angeles and San Francisco; The Chase Manhattan Bank, N.A., New York; and The First National Bank of Chicago, Chicago.

*Authority for Issuance:* \$16,000,000 general obligation bonds authorized at a special election October 4, 1966, at the then statutory maximum of 5 percent. Section 53541 of the Government Code presents the issuance of bonds by the district at a rate not to exceed 8 percent, if an equal amount of bonds for the identical purpose have been earlier authorized at a lower interest rate but not issued, provided that an equal amount of the earlier bonds are cancelled. The bonds are being issued pursuant to said Section 53541 of the Government Code and the Municipal Water District Act of 1911 (Water Code, Sections 71,000 et seq.), and the Chino Basin Municipal Water District resolution adopted July 16, 1975.

*Additional Bonds:* The balance of the 1967 authorization are being sold simultaneously with Series E. No additional general obligation bonds of the district are authorized and unsold.

*Legality for Investment:* General obligation bonds of a municipal water district are legal investments in California for trust funds and for funds of all insurance companies, commercial banks and savings banks and trust companies.

*Annual Bond Service:* The accompanying table shows estimated annual interest and principal requirements for \$1,000,000 Series E bonds.

*Legal Opinion:* The unqualified legal opinion of Messrs. O'Melveny & Myers, bond counsel, Los Angeles, California, approving the validity of the bonds will be made available to the purchasers at the time of the original delivery of the bonds. A copy of such opinion will be printed on each bond.

The statements of law and legal conclusions set forth herein under the caption "The Bonds" have been reviewed by bond counsel. Bond counsel's employment is limited to a review of the legal proceedings required for the authorization of the bonds and to rendering an opinion on the validity of the bonds and the exemption of interest on the bonds from income taxation. The opinion of bond counsel will not consider or extend to any documents which bond counsel did not prepare or review or to any agreement, representation, offering circular, or other material of any kind concerning the bonds not mentioned in this paragraph.

*Purpose:* Bond proceeds will be used to construct a Cereco process plant for disposal of nonreclaimable industrial waste water of the dairy industry.

*Date of Sale:* Wednesday, August 6, 1975. Bids will be received and opened on behalf of the district at 11:00 a.m. (Pacific Time). Bonds will be awarded by the District Board of Directors pursuant to the official notice inviting bids dated July 16, 1975.

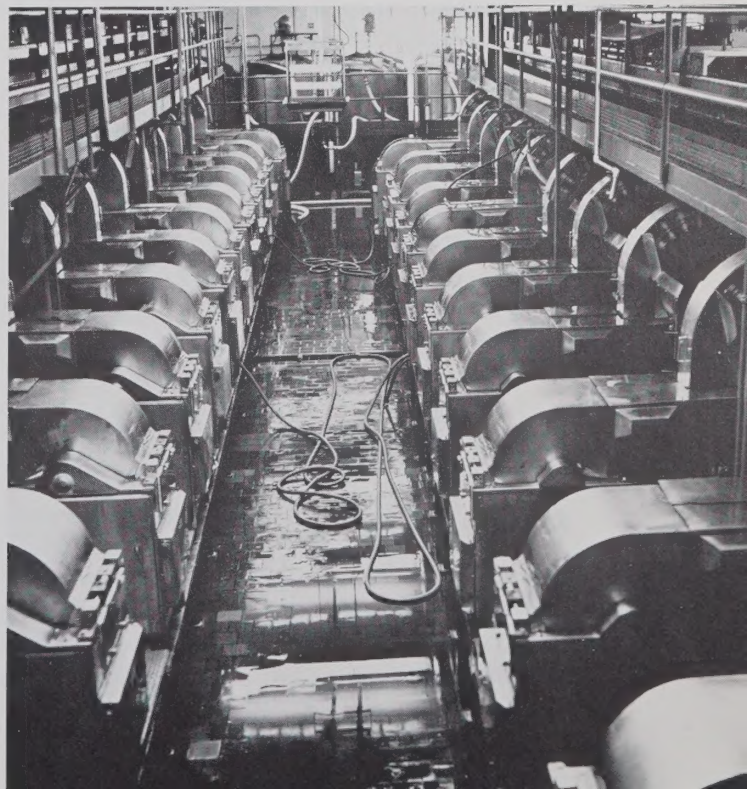


**CHINO BASIN MUNICIPAL WATER DISTRICT  
ESTIMATED ANNUAL BOND SERVICE  
\$1,000,000 1967 BONDS, SERIES E**

Year Ending July 1	Actual Series A, B, & C Bond Service	Series D Bond Service Estimated at 7%	Series E (Estimated)		Total Service Bond	Total Annual Requirements Series A, B, C, D, & E
			Interest at 7%	Principal Due July 1		
1976.....	\$ 912,110	\$ 140,000	\$ 70,000	\$ —	\$ 70,000	\$ 1,122,110
1977.....	912,685	185,000	70,000	35,000	105,000	1,202,685
1978.....	912,773	196,850	67,550	40,000	107,550	1,217,173
1979.....	903,635	207,650	64,750	45,000	109,750	1,221,035
1980.....	913,872	222,400	61,600	55,000	116,600	1,252,872
1981.....	912,350	235,750	57,750	55,000	112,750	1,260,850
1982.....	910,117	227,700	53,900	55,000	108,900	1,246,717
1983.....	916,325	219,650	50,050	55,000	105,050	1,241,025
1984.....	911,260	211,600	46,200	55,000	101,200	1,224,060
1985.....	915,345	203,550	42,350	55,000	97,350	1,216,245
1986.....	917,777	195,500	38,500	55,000*	93,500	1,206,777
1987.....	918,560	187,450	34,650	55,000*	89,650	1,195,660
1988.....	908,475	179,400	30,800	55,000*	85,800	1,173,675
1989.....	906,695	171,350	26,950	55,000*	81,950	1,159,995
1990.....	913,245	163,300	23,100	55,000*	78,100	1,154,645
1991.....	917,730	155,250	19,250	55,000*	74,250	1,147,230
1992.....	920,140	147,200	15,400	55,000*	70,400	1,137,740
1993.....	636,420	139,150	11,550	55,000*	66,550	842,120
1994.....	188,050	131,100	7,700	55,000*	62,700	381,850
1995.....	189,250	123,050	3,850	55,000*	58,850	371,150
	<u>\$16,536,814</u>	<u>\$3,642,900</u>	<u>\$795,900</u>	<u>\$1,000,000</u>	<u>\$1,795,900</u>	<u>\$21,975,614</u>

\* Callable on or after July 1, 1985.

*Left: Sunkist Growers, Inc., an agricultural marketing cooperative of about 8,000 citrus growers in California and Arizona, operates an orange products facility in Ontario. At this plant and two others in Corona and Yuma, Arizona, about a million tons of citrus fruit are processed per year into 1,600 different citrus juice and peel products. Right: At the Ontario plant, automatic juicers are capable of processing up to 1,000 oranges each per minute. Sunkist Growers, Inc. photos.*





## DISTRICT FUNCTIONS AND PROJECTS

### WATER SUPPLY

The district buys water from Metropolitan Water District of Southern California. It wholesales that water, derived from the Colorado River, for retail distribution to the cities and county water district within its borders.

### NONRECLAIMABLE WASTE WATER DRAINS

The district purchased capacity in the interceptor, treatment, and ocean disposal system of Sanitation Districts of Los Angeles County. It has built a nonreclaimable waste water system which flows westward across the northern area of the district through the industrial areas from Fontana to the Los Angeles County line. This industrial drain disposes of waste water from manufacturing and processing plants. Salt laden waste water is removed from the Chino Basin in order to preserve ground water quality.

The district has also purchased capacity in the interceptor, treatment and ocean disposal facilities of County Sanitation Districts of Orange County. The Santa Ana River Interceptor which is the major facility involved is currently under construction. This interceptor is designated as a brine line for the purposes of removing salt laden waste water from the upper Santa Ana Watershed, including the southern and eastern areas of the district.

The Santa Ana Watershed Project Authority is contracting construction of the upper basin portion of the Santa Ana River Interceptor. The district is a founding member of the Authority and plans to assign to the Authority capacity contracts with County Sanitation Districts of Orange County associated with the Santa Ana River Interceptor. The district entered into those contracts prior to the formation of the Authority.

### DAIRY WASTE SYSTEM

Under a proposed agreement with the Ceres Ecology Corporation of Colorado, Chino Basin Municipal Water District is building a pilot plant which will separate cattle manure, producing three by-products: fermented silage, protein, and ash. Silage and protein have been tested and are proven to be highly valuable as animal feed. Ash is usable as soil conditioner. The Ceres Ecology Corporation holds patent rights to the waste process. Initially the plant will process waste from about 10,000 head of cattle.

The Ceres process will alleviate the dairy waste problem in the Chino area. Dairy wastes are a large contributor of dissolved salts into the underground water basin. Through the Ceres process, the undesired salts are bound up in the protein portion of the cow manure and exported from the basin in pellet form. Federal and state funds are

anticipated under a demonstration grant for which the district has applied.

The district proposes to lease operation of the plant to the Ceres Ecology Corporation. A portion of the profits, if any, resulting from the operation, will reduce the district's reliance on taxes to meet bond service.

### REGIONAL SEWERAGE FACILITIES

The district has acquired all domestic sewage treatment facilities and all major regional trunk and interceptor sewers within its borders. The cities and county water district continue to provide sewage collection within their jurisdictions and the district provides treatment, water reclamation, and disposal services. Improvement District C is the domestic sewerage component of the district. The improvement district includes substantially all of the district.

### SANTA ANA RIVER ADJUDICATION

Under a settlement between the upper basin Santa Ana water districts and the lower basin Santa Ana water districts, 42,000 acre-feet of water per year must be delivered at Prado Dam, the division point between upper and lower basins. A stipulation in the adjudication allows reclaimed sewage effluent to be used to meet the water delivery requirement. The adjudication also stipulates the total dissolved salts permitted. When total dissolved salts are less than the stipulated amount, a credit in the form of reduced water deliveries requirements is granted the upper basin water districts.

The regional sewerage facilities include tertiary treatment works which produce effluent of quality to meet water delivery requirements. The two brine lines remove waste waters from the upper basin and preserve and improve the ground water quality.

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### COMPLETED PROJECT COSTS AND SOURCES OF FUNDS

#### PROJECT COSTS

Construction, Lines A and B.....	\$ 6,577,000
Pumps Station No. 1.....	386,000
Engineering, rights of way, incidentals.....	575,000
Purchase of capacity, Sanitation District No. 21	6,265,000
Reserve for future construction.....	750,000
Total.....	\$14,553,000

#### SOURCE OF FUNDS

Series A bonds.....	\$ 4,000,000
Federal grant.....	1,553,000
Series B bonds.....	6,500,000
Series C bonds.....	2,500,000
Total.....	\$14,553,000

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WATER MANAGEMENT

The district has initiated a basin-wide water management program which will include importation of additional water from the California Aqueduct, recharging the ground water basin, reclaiming and recycling water within the basin, and exporting saline waste water. The diagram illustrates the water management concept in terms of water source, water use and disposal.

INDUSTRIAL DRAIN USERS

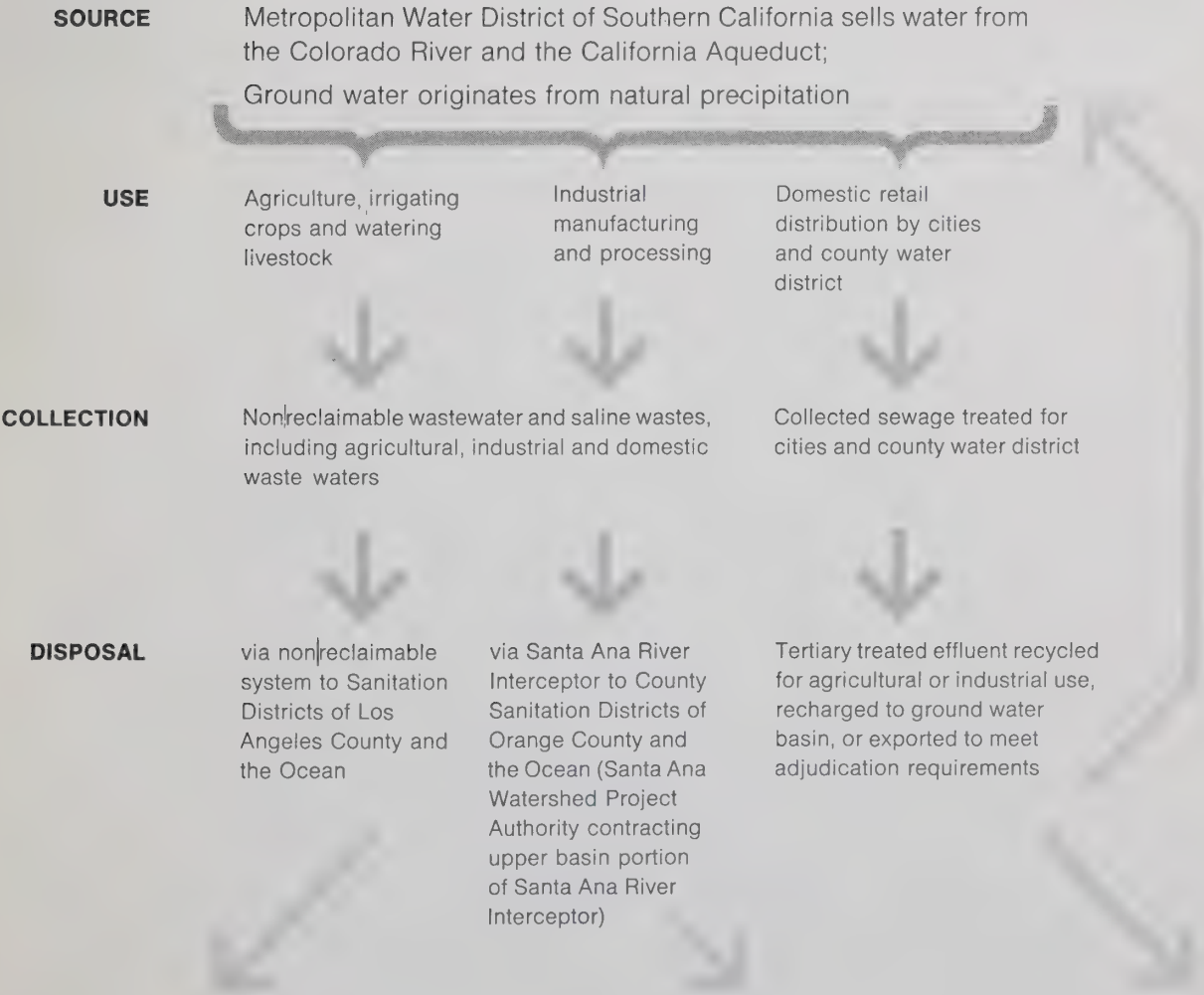
The district now has 22 industrial users of the system, of which 17 companies are connected to the system. Five companies utilize a truck dump station. These users have contracted for a total of 11 cfs of the total 30 cfs capacity of the system. The following companies are system users listed in order of volumetric usage.

- Kaiser Steel Corporation
- Southern California Edison Co.
- Frito-Lay Inc.

- Sunkist Growers
- Southern Pacific Transportation
- Union Carbide Corporation
- Supracote Inc.
- Metropolitan Wire Goods Corporation
- California Finished Metals Inc.
- Roberts Manufacturing Co.
- Fasson Division, Avery Products Corp.
- Rockwool Industries
- Pacific Forge Inc.
- Abitibi Corporation
- Ameron Pipe Products
- Swift & Co.
- Foothill Beverage
- Norton Air Force Base\*
- General Latex & Chemical\*
- Quaker Chemical\*
- American Pipe Products Group\*
- Southern California Youth Center\*

\*Dump station users.

CHINO BASIN MUNICIPAL WATER DISTRICT  
WATER MANAGEMENT PROGRAM



## DISTRICT FINANCIAL DATA

### ASSESSED VALUATION AND TAX RATES

The following table summarizes district assessed valuation and tax rates since 1965/66. Property is assessed for district purposes by the San Bernardino County Assessor; public utility property is assessed at 25 percent of market value by the State Board of Equalization. According to the State Board of Equalization, property in San Bernardino County is assessed at 23.6 percent of market value for 1974/75.

The basic 1974/75 tax rate is 25 cents per \$100 on all the district and a tax of 23 cents on all but a small portion of the district, as shown in the table below. The proceeds of 11 cents of this 25 cent rate are allocated for payment of bond service on the 1967 Bonds, Series A, B and C. The district plans to increase this allocation to 13 cents in 1976/77 to include payment of bond service on Series D and Series E bonds.

#### CHINO BASIN MUNICIPAL WATER DISTRICT ASSESSED VALUATIONS AND TAX RATES

	Assessed Valuation	Basic Tax Rate Per \$100
1965/66.....	\$408,842,730	\$0.08
1966/67.....	439,544,430	0.07
1967/68.....	492,088,640	0.11①
1968/69.....	505,285,890	0.11②
1969/70.....	529,964,580	0.19②
1970/71.....	570,988,480	0.21②
1971/72.....	618,914,230	0.34②
1972/73.....	663,692,670	0.37②
1973/74.....	706,277,460	0.25②
1974/75.....	772,029,040	0.25③

① Included \$.04 to be applied to payment of Series A bonds.

② Included \$.08 to be applied to payment of Series A and B bonds.

③ Included \$.11 to be applied to payment of Series A, B and C bonds.

The district's tax rates are levied as follows for 1974/75:

#### CHINO BASIN MUNICIPAL WATER DISTRICT TAX RATE BREAKDOWN 1974/75

	Tax Per \$100/a.v.	Taxable a.v.
Bond service.....	\$.11	
Masingale operation and maintenance .....	.06	
Chino tertiary operation and maintenance .....	.03	
General fund .....	.05	
	<u>.25</u>	\$772,029,040
Improvement District C* ...	.25 + .23 = .48	\$770,348,280

\* Includes Improvement District B, which has an additional \$.03 tax for sewerage service to an unincorporated area near Chino. Improvement District B's 1974/75 assessed valuation is \$11,178,040.

#### CHINO BASIN MUNICIPAL WATER DISTRICT DETAIL OF ASSESSED VALUATION, 1974/75

Local secured roll.....	\$532,955,945
Utility roll .....	70,877,560
Unsecured roll .....	59,704,475
Sub-total .....	\$663,537,980
State-reimbursed exemptions.....	108,491,060
Total .....	\$772,029,040



## TAX RATE LIMITATIONS

In 1972 and 1973 the California Legislature passed legislation intended to limit increases in ad valorem property taxes. This legislation generally limits the district's tax rate to that which it levied in 1972/73, but permits increases when the growth of population and growth in the California Price Index exceed the assessed valuation growth rate. Tax rate increases duly authorized by the voters, including general obligation bond authorizations, are not restricted.

The district's Improvement District C has a current 23 cents per \$100/assessed valuation tax rate for capital outlay which predates the aforementioned legislation. The operation and maintenance components of the 25 cents levied on the entire district are not restricted either, because of previous contractual obligations.

The district is in an area that has been designated a "critical air area" by the California Air Resources Board and as an "Air Quality Control Area" under the California Transportation Control Plan promulgated by the Environmental Protection Agency, acting pursuant to the Federal Clean Air Act. Such designations may have some effect on population and economic growth in the district. The district does not anticipate that either the tax rate limitation or such designations will restrict the district in any way that will affect its ability to levy an ad valorem property tax as necessary to meet all district expenses including bond debt service.

## DISTRICT ASSETS AND LIABILITIES

The assets of the district for 1974/75 total nearly \$34,700,000. These assets, primarily plant and equipment are subject to \$20,215,000 of liabilities on June 30, 1974. The liabilities include the 1967 Series A, B and C bonds which have a current outstanding principal of \$11,640,000, as of June 30, 1975.

During 1968 the district received a federal grant for \$1,552,940 under the provisions of Public Law 660. Another contribution to the district came from the Southern California Edison Company. In 1964 they contributed an Industrial Waste Disposal Line valued at \$1,-215,000. In consideration for this contribution, the district agreed to execute a service contract with the Southern California Edison Company whereby the district would assume the obligation of disposing of all the wastes from the Edison Company's Etiwanda steam plant at a rate of flow not exceeding five cfs. Grants totaling \$2,174,234 have been received from EPA and the State Water Resources Control Board for the Ontario Tertiary Plant and the Santa Ana River Interceptor out-fall pipeline. Other grant funds are pending.

## CHINO BASIN MUNICIPAL WATER DISTRICT ASSETS AND LIABILITIES JUNE 30, 1974

### ASSETS

#### Current Assets

Cash .....	\$ 279,640
Short term investments.....	4,100,000
Accounts receivable.....	450,034
Due from Assessment District 1.....	74,604
Taxes receivable.....	633,381
Interest receivable.....	55,253
Prepaid expenses.....	64,927
Other .....	7,796
	<u>\$ 5,665,635</u>

#### Fixed Assets

Tangible, at cost.....	\$21,065,413
Less: accumulated depreciation.....	(2,047,582)
	<u>\$19,017,831</u>
Intangible, at cost.....	\$ 8,549,170
Less: amortization .....	(925,614)
	<u>\$ 7,623,556</u>

#### Other Assets

Notes and contracts, less current portion..	\$ 209,763
Jobs in process.....	1,036,520
Investment in SAWPA®.....	60,680
Investment in SARI®.....	971,528
Investment in district facilities and equipment .....	75,725
	<u>\$ 2,354,216</u>

TOTAL ASSETS .....\$34,661,238

### LIABILITIES AND EQUITY

#### Current Liabilities

Accounts payable.....	\$ 792,494
Current portion of long-term debt.....	973,099
Accrued interest payable.....	359,755
Customer deposits .....	2,000
	<u>\$ 2,127,348</u>

#### Long-term Liabilities

Outstanding Interest and Principal on Series A, B and C Bonds.....	\$12,010,000
Notes and contracts payable and liabilities under sublease agreement®...	7,051,075
Less: current portion.....	(973,099)
	<u>\$18,087,976</u>

TOTAL LIABILITIES .....\$20,215,324

#### District Equity

Contributions in aid.....	\$ 6,611,064
Transfer of assets from Assessment District 1 .....	2,161,740
Reserve for replacement.....	66,184
Fund balance .....	5,606,926
	<u>\$14,445,914</u>

TOTAL LIABILITIES AND EQUITY.....\$34,661,238

① Santa Ana Watershed Project Authority.

② Santa Ana River Interceptor line.

③ On August 14, 1972, CBMWD executed contracts with the cities of Upland, Ontario, Chino, Montclair, Fontana and the Cucamonga County Water District, whereby CBMWD would acquire all of their wastewater facilities and operate them on a regional basis. Improvement District C's tax of \$.23 pays for capital improvements and for the purchase of these facilities.

Source: Reardon & McCallum, Certified Public Accountants, Upland.

## LARGE TAXPAYERS

Large taxpayers in CBMWD include Kaiser Steel Corporation, Southern California Edison Company, General Telephone Company, Sunkist Growers, Union Carbide Corporation, Pacific Telephone & Telegraph Company, Southern California Gas Company, and Southern Pacific Corporation.

## TAX DELINQUENCY

The table on the right summarizes June 30 tax delinquencies on the secured roll, based on the district's annual financial reports for 1969/70 to 1973/74 inclusive.

## OPERATING REVENUES AND EXPENSES

The following table summarizes district revenues and expenses for the past three fiscal years. A separate table shows the 1974/75 budget for operations.

## REGIONAL WASTE WATER FUND

On August 14, 1972, a contract was entered into between the Chino Basin Municipal Water District and the

## CHINO BASIN MUNICIPAL WATER DISTRICT TAX LEVIES AND DELINQUENCIES

	Secured Tax Levy	Amount Delinquent June 30	Percent Delinquent June 30
1969/70.....	\$ 938,887	\$34,948	3.00%
1970/71.....	1,103,962	20,387	1.70
1971/72.....	1,879,596	49,401	2.63
1972/73.....	2,125,878	85,688	4.03
1973/74.....	2,683,935	85,822	3.19

cities of Upland, Ontario, Chino, Montclair, Fontana, and the Cucamonga County Water District, whereby the Chino Basin Municipal Water District would acquire from these cities and the water district all of their waste water treatment facilities and operate them on a regional basis. The Regional Waste Water Funds were established for this purpose. On January 2, 1973, Chino Basin Municipal Water District took possession of all these facilities.

## CHINO BASIN MUNICIPAL WATER DISTRICT STATEMENT OF OPERATIONS

	1971/72	1972/73	1973/74
<b>REVENUES</b>			
Property tax collections.....	\$1,995,416	\$2,409,625	\$3,312,217
Water sales .....	458,740	452,968	468,863
Industrial waste revenue.....	303,427	323,409	289,510
Domestic waste revenue.....	69,967	261,265	486,697
Interest .....	61,445	215,081	320,597
Reserves .....	—	21,896	44,288
Other .....	2,152	5,172	30,087
Total Revenues .....	\$2,891,147	\$3,689,416	\$4,952,079
<b>EXPENSES</b>			
Administrative and office.....	\$ 162,266	\$ 269,349	\$ 271,385
<b>Operating Expenses</b>			
Water .....	461,483	503,829	434,897
Industrial waste .....	174,323	193,664	183,041
Domestic waste .....	48,025	220,543	384,732
Other operating expenses .....	33,507	226,209	367,066
Engineering .....	29,676	56,403	36,722
Public service .....	14,872	14,457	14,435
Interest expense .....	483,498	755,558	934,504
Special projects .....	102,727	112,354	60,560
Depreciation and amortization.....	349,044	549,984	767,212
Other .....	3,201	16,453	14,154
Total Expenses .....	\$1,862,622	\$2,918,803	\$3,468,708
Excess (or Deficit) of Revenues Over Expenses.....	\$1,028,525	\$ 770,613	\$1,483,371



**CHINO BASIN MUNICIPAL WATER DISTRICT  
DIRECT AND OVERLAPPING BONDED DEBT**

	Percent Applicable	Debt August 6, 1975
San Bernardino County .....	34.828%	\$ 353,504
San Bernardino County Building and Library Authority.....	34.828 & 32.073	5,497,036
Metropolitan Water District of Southern California.....	2.148	11,861,342
San Bernardino County Flood Control District, Zone No. 2.....	12.181	116,816
Chino Basin Municipal Water District.....	100.000	15,490,000 <sup>①</sup>
Cucamonga County Water District and Improvement Districts.....	99.895 & 100.000	4,889,415
Chaffey Community College District.....	99.377	894,393
Riverside Community College District.....	0.548	15,673
Chino Unified School District.....	100.000	11,000,000
Fontana Unified School District.....	98.283-98.298	4,432,995
Colton Joint Unified School District and High School District.....	1.781-1.793	91,700
Jurupa Joint Unified School District.....	3.655	120,808
Rialto Unified School District.....	0.517	27,681
Chaffey Unified High School District.....	99.602	6,787,876
Alta Loma School District.....	99.244	1,215,739
Central School District.....	100.000	460,000
Cucamonga School District.....	100.000	1,800,000 <sup>②</sup>
Mountain View School District.....	100.000	131,000
Ontario School District.....	100.000	2,345,000
Upland School District.....	99.811	1,542,080
Bloomington School District.....	5.705-5.914	12,294
City of Chino and Authority Bonds.....	100.000	4,031,000 <sup>③</sup>
City of Ontario.....	100.000	5,515,000
City of Rialto.....	4.476	1,119
City of Upland and Authority Bonds.....	100.000	2,905,000
City of Montclair (Montclair Fire Authority).....	100.000	1,105,000
Total Direct and Overlapping Bonded Debt.....		\$82,642,471 <sup>④</sup>
Less: Cucamonga County Water District, Improvement District No. 2 (100% self-supporting) .....		209,000
City of Ontario, water and sewer (100% self-supporting).....		1,085,000
City of Upland, water (100% self-supporting).....		1,445,000
Total Net Direct and Overlapping Bonded Debt.....		\$79,903,471

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	Assessed Value (\$772,029,040)	Ratios to: Population (250,000)	Market Value (\$3,254,491,000)
Direct debt (\$15,490,000).....	2.01%	\$ 61.96	0.48%
Total gross debt (\$82,642,471) .....	10.70	330.57	2.54
Total net debt (\$79,903,471).....	10.35	319.61	2.46

**Authorized and Unsold Bonds of Overlapping Agencies:**

Metropolitan Water District.....	\$7,840,000	Chino Unified School District.....	\$750,000
Alta Loma School District.....	401,938	Cucamonga School District.....	750,000
Bloomington School District.....	5,618	Mountain View School District.....	104,000
Central School District.....	455,000	Rialto Unified School District.....	8,365

① Includes \$3,000,000 to be sold August 6, and \$850,000 assumed Ontario-Upland Treatment Plant bonds.

② Includes \$1,700,000 to be sold June 23, 1975.

③ Includes \$3,625,000 Civic Center Authority to be sold June 10, 1975.

④ Excludes revenue bonds: Ontario \$995,000 Airport; Fontana (87.508% in Chino Basin Municipal Water District) \$1,535,000 Sewers; Upland \$2,500,000 Water.

Source: Based on information provided by California Municipal Statistics, Inc.

Transfer of title was January 2, 1973, the effective date of the Chino Basin Regional Sewerage Service Contract, with the exception of the assets under the sublease with the City of Ontario which does not transfer title until June 1, 1987. The contract made Chino Basin Municipal Water District the regional sewerage agency and provides for:

1. The acquisition or construction by Chino Basin Municipal Water District of the regional sewerage system adequate to provide for the transmission, treatment, and disposal of all sewage then collected by the contracting agencies;

2. The initiation and conduct of proceedings for the formation of Improvement District C; and

3. The adoption by the Board of Directors of Chino Basin Municipal Water District of a capital outlay ordinance.

The accompanying table summarizes the facilities purchased, purchase price, and the amounts of semiannual payments to each entity.

All purchase agreements were for 40 semiannual payments, including interest, commencing January 2, 1973, except for the Fontana agreement (24 payments) and the sublease agreement of the new Ontario-Upland plant. The sublease calls for \$100,000 to be paid annually until June 1, 1987, and a supplemental contract for 20 semiannual payments of \$30,359.

#### TOTAL TAX RATES

The table above summarizes the range of 1974/75 total tax rates per \$100 in the five district cities and in the Cucamonga School District, an unincorporated area with substantial urban and industrial development. More than half of the total tax rate in most code areas in CBMWD is for education. The San Bernardino County tax rate is \$2.4511. City rates range from \$0.93 in Fontana to \$1.8650 in Upland.

#### CITIES IN CHINO BASIN MUNICIPAL WATER DISTRICT COMBINED TAX RATES PER \$100 1974/75

Chino .....	\$11.9013-12.2189
Fontana .....	11.4001-12.6467
Montclair .....	12.2088
Ontario .....	10.2194-14.1150
Upland .....	11.9875-12.3925
Cucamonga .....	9.8544-13.3403

#### CHINO BASIN MUNICIPAL WATER DISTRICT REGIONAL WASTEWATER FUND TERMS OF PURCHASE OF ASSETS

	Total Purchase Price	Semi- annual Payments
City of Chino—plant.....	\$1,310,000	\$ 52,950
City of Upland—interceptor....	779,360	31,501
City of Ontario—interceptor....	318,684	12,880
Cities of Ontario and Upland		
Old treatment plant.....	2,217,000	89,611
New treatment plant.....	475,000	30,359
Sublease of new plant.....	n.a.	100,000*
City of Fontana.....	480,000	26,847
Cucamonga County Water District .....	605,500	25,147
Total .....	\$6,185,544	\$369,295

Total annual payments to entities.....\$638,590

\* Base rental needed to pay principal and interest on outstanding revenue bonds.

#### CHINO BASIN MUNICIPAL WATER DISTRICT 1974/75 BUDGET FOR OPERATIONS — ALL FUNDS

Beginning Balance .....\$4,169,101

#### REVENUES

General fund .....	\$ 378,200
Water fund.....	795,000
Industrial waste fund .....	1,348,000
Capital improvements and O&M.....	2,857,000
Tertiary fund .....	810,700
Assessment District No. 1.....	137,800
Improvement District B.....	151,400
Total Revenues .....	\$6,478,100

#### EXPENDITURES

General fund .....	\$ 304,475
Water fund .....	806,700
Industrial waste fund.....	2,004,500
Capital improvements and O&M.....	3,255,300
Tertiary fund .....	976,100
Assessment District No. 1.....	5,500
Improvement District B.....	136,500
Total Expenses .....	\$7,489,075

Ending Balance .....\$3,158,126





Kaiser Steel began operations in 1943 in Fontana. The land on which the integrated steel mill was built includes 2,000 acres of former vineyards. The establishment of Kaiser Steel encouraged other steel-related firms to locate in and around Fontana. The Fontana Chamber of Commerce estimates that the Fontana industrial complex alone supports about 22,000 families. *Kaiser Steel photo.*

## THE ECONOMY OF THE CHINO BASIN

### GEOGRAPHIC CHARACTERISTICS

Chino Basin Municipal Water District occupies 242 square miles in the west end of San Bernardino County, between the City of San Bernardino and the City of Pomona, in Los Angeles County. The district is located at the foot of the San Gabriel Mountains which form its north boundary. Its westerly boundary is 29 miles east of Los Angeles Civic Center and the eastern boundary is 6½ miles west of the County Court House in San Bernardino.

The area covered by the district is gently sloping, lying at an elevation of about 1,000 feet. The area has fertile soil and generally good conditions for agriculture.

Climatic conditions in the district are similar to the Los Angeles metropolitan region. Winter temperatures average about 51 degrees; temperatures below freezing are rare. Some summer days have temperatures above 100 degrees, but the average is about 74. Rainfall averages 15 to 19 inches per year, almost none in the summer months.

Located in the mostly highly developed portions of San Bernardino County, CBMWD has a widely diversified economic base. Manufacturing, agriculture, government, services and trade form major sectors of the economy. The manufacture of primary and fabricated metals,

food processing and textiles are among the major industrial employers in the district. Kaiser Steel Corporation's plant in Fontana, employing over 9,000 workers, is the district's largest employer. Other major employers include General Electric Company, Lockheed Corporation, General Knit of California, Frito-Lay and Sunkist Growers.

CBMWD is the county's most important dairy area, the key contributor to San Bernardino County's designation as the leading milk producing county in the nation. Livestock, citrus, grapes and hay are other major agricultural products of the district.

Economic growth in the district has been enhanced by a good transportation network. A basic freeway network, which includes three routes leading into the Los Angeles basin and a fourth under development, has enhanced the area's position for access to and egress from the Los Angeles-Orange County basins. Three transcontinental railroads serve the district. Southern Pacific's \$39 million automatic classification yard is located adjacent to the district, in the Colton area. Santa Fe has division headquarters at San Bernardino, and Union Pacific's line to Salt Lake City runs through Ontario. AMTRAK provides passenger service at San Bernardino and Pomona. Ontario International Airport, currently under expansion, provides service between the district and major cities in California and throughout the United States. Seven major carriers provide regularly scheduled service from Ontario.



POPULATION

Population of the district is currently estimated at 250,000. The district includes the cities of Ontario, Chino, Fontana, Upland and Montclair, and the unincorporated communities of Cucamonga, Alta Loma, Etiwanda and Chino Hills.

Population data for the district and San Bernardino County are summarized in the following table. CBMWD accounts for approximately one-third of the county total and is growing at a rate faster than the county.

According to population estimates compiled by the Department of Finance in January 1974, the five incorporated cities represent an estimated 68.8 percent of the district population. Ontario, the largest city, has 25.8 percent of the district's residents. Upland in 1970 was the fastest growing city in the district, increasing by 117 percent between 1960 and 1971. Since 1970 Fontana and Chino have recorded the largest increases in population growth. Between 1970 and 1974, Fontana experienced a 15.1 percent increase and Chino, a 16.8 percent increase.

CITIES IN THE DISTRICT

Five incorporated cities are within the district boundaries. All cities have either council-manager or council-administrator forms of government.

CHINO BASIN MUNICIPAL WATER DISTRICT  
POPULATION

	1950	1960	1970	1974
Chino Basin MWD <sup>①</sup> .....	82,200	159,735	233,386	250,000
Ontario .....	22,872	46,617	64,118	64,700
Upland .....	9,203	15,918	32,551	37,900
Montclair .....	— <sup>②</sup>	13,546	22,546	21,850
Fontana .....	— <sup>③</sup>	14,659	20,673	23,800
Chino .....	5,784	10,305	20,411	23,850
5 District Cities..	37,859 <sup>④</sup>	101,045	160,299	172,100
San Bernardino County.....	281,642	503,591	684,072	699,700

① Area within district boundaries.

② Incorporated 1956.

③ Incorporated 1952.

④Three incorporated cities only.

Source: California Department of Finance.

Oldest and largest city is Ontario (1974 population 64,700), principal trading center for the west end of San Bernardino County. Lockheed Aircraft Services, General Electric and Sunkist Growers are the largest employers in the city.

The city's main street, Euclid Avenue, is a beautiful 200-foot wide divided boulevard lined with eucalyptus and pepper trees along its entire 7-mile length in Ontario and Upland.

The City of Upland (37,900) is north of Ontario along Euclid Avenue. Upland was incorporated in 1906 and is primarily a residential city. West of these two cities is Montclair (21,850), the newest city in the district, incorporated in 1956. It lies between Euclid Avenue and the Los Angeles County line. The area's largest regional shopping center is located in Montclair.

The City of Chino (23,850), incorporated in 1910, is in the southwestern part of the district in an area devoted primarily to dairying and other agriculture. The California Department of Corrections has correctional facilities, California Institution for Men and the California Institution for Women, located nearby.

The City of Fontana (23,800) is at the easterly end of the district. Fontana was incorporated as a city in 1952. The Kaiser steel mill is immediately west of the city, and many of the Kaiser workers are residents of Fontana.

Cucamonga is the largest unincorporated community in the district. It was included in the 1956 CBMWD annexation. Cucamonga is in the heart of the San Bernardino wine area, and its vineyards are now being replaced by subdivisions and industrial sites. CBMWD headquarters are in Cucamonga.

EMPLOYMENT

CBMWD is part of the Riverside-San Bernardino-Ontario Standard Metropolitan Statistical Area (SMSA), where employment averaged about 350,100 in 1974. Major employment categories of the larger metropolitan area are:

Government .....	23.5%
Trade .....	22.1
Services .....	18.9
Manufacturing .....	15.9

Employment in CBMWD (excluding Fontana) totaled about 65,100 in July 1974. Manufacturing is the principal employer in the CBMWD, accounting for about 32 percent of total employment. Trade (21.9%), government (15.4%) and services (15.1%) rank next in importance.

Unemployment in the Riverside-Ontario-San Bernardino SMSA has averaged slightly higher than that of the state for the past five years, but the number of employed and the civilian labor force has increased at a substantially greater rate than state averages. Unemployment in the SMSA averaged 7.9 percent from 1970-1974, compared to 7.6 percent statewide. At the same time, the number of employed persons has increased from 379,000 to 447,000, 17.9 percent, and the civilian labor force has increased from 409,000 to 489,000, 19.8 percent. The state's averages for both were about 13 percent.

The accompanying table of estimated employment shows employment statistics for the San Bernardino-Riverside-Ontario SMSA and the CBMWD. The estimates were compiled by the California Employment Development Department.



## CHINO BASIN MUNICIPAL WATER DISTRICT AND SMSA ESTIMATED EMPLOYMENT, 1974

	1970 <sup>①</sup>	Chino Basin Municipal Water District			Riverside-San Bernardino- Ontario SMSA	
		July, 1974 <sup>②</sup>		Change <sup>③</sup> 1970-74	Number	Percent
		Number	Percent			
Agriculture .....	1,400	1,825	2.8%	30%	20,900	5.9%
Construction .....	3,500	4,910	7.5	40	14,900	4.2
Manufacturing .....	10,600	20,600	31.7	94	56,300	15.9
Transportation, communication and utilities.....	1,100	1,800	2.8	64	19,100	5.4
Trade, wholesale and retail.....	9,000	14,275	21.9	59	78,300	22.1
Finance, insurance and real estate.....	1,200	1,820	2.8	52	12,000	3.4
Services .....	8,100	10,020	15.4	24	66,900	18.9
Government.....	6,300	9,850	15.1	56	83,500	23.5
Mining .....	—	—	—	—	2,600	0.7
Total .....	41,200	65,100	100.0%	58%	354,500	100.0%

① Based on place of employment.

② Based on place of residence.

③ Rough estimates based on incomparable data.

Source: California Employment Data and Research.

## INDUSTRY

Manufacturing of primary metals is the largest industry in the area. Food processing is second and related closely to the agricultural crops grown in the region. The dairy industry around the City of Chino comprises 302 of the county's 317 dairies.

With the completion of the industrial waste system, CBMWD is particularly attractive to heavy manufacturing firms, especially in the chemicals industry. With effective planning and provision of needed facilities and services, the Chino Basin area can remain an important area of concentrated heavy industry in Southern California.

Aerospace industry in the Chino Basin area is located at Ontario International Airport and includes General Electric and Lockheed Aircraft Service.

The accompanying table lists industrial employers of 100 or more persons in the area covered by the district. The San Bernardino County Economic Development Commission is the source of these data.

Other major firms in the district, employing fewer than 100 are: Linde Air Products (Union Carbide), Koppers Co., Mineral Wool Insulation Co. (Rockwood Industries, Inc.), Abitibi Corp., Goodyear Rubber Co. and Carnation Company.

## KAISER STEEL

Kaiser Steel is the largest private employer in the district and in all of San Bernardino County. It is the only integrated steel producer on the Pacific Coast. The Fontana works, which began operations in 1943, is the largest mill west of the Mississippi, and its site covers 1,800 acres. Kaiser is the largest single taxpayer in the Chino Basin Municipal Water District and is the major user of the district's nonreclaimable waste disposal system.

The plant has stimulated location of several steel-using industries and supporting industries in western San Bernardino County.

The plant has four blast furnaces, eight open-hearth furnaces, three basic oxygen steel-making furnaces, 315 coke ovens, and ten rolling mills. Raw materials are obtained from Kaiser iron ore mines in nearby Eagle Mountain and coal mines in Utah and New Mexico. The plant manufactures a wide range of products including steel plate, hot and cold rolled sheet, tin plate, structural shapes, and both large and small diameter pipe.

A galvanized sheet mill was completed in 1966, and hot strip finishing and electrolyte tining facilities were enlarged as other elements of this major expansion.

A 60 inch cold sheet mill began production in 1970. The metal products division operates three plants at Fontana, producing a wide variety of fabricated steel products.

Between 1964 and 1971, employment at Kaiser averaged 8,373. Currently employment still remains in the 8,000-9,000 range. A study by Urbanomics Research Associates of California estimates that Kaiser Steel Corporation's Fontana Steel Manufacturing Division has in recent years accounted for at least 22 percent of total durable goods manufacturing employment in San Bernardino and Riverside Counties. Annual payroll at Kaiser totaled about \$115,000,000 in 1973, the most current statistic available.

## RECENT INDUSTRIAL DEVELOPMENT

Chino Basin Municipal Water District has received a major share of the new industrial development in San Bernardino County in recent years. The pace of industrial

## CHINO BASIN AREA

### LARGEST INDUSTRIAL EMPLOYERS OF 100 OR MORE

#### Over 1000 Employees

Freightliner, Chino.....	Light and heavy duty trucks
Kaiser Steel Corp., Fontana.....	Steel manufacturing
General Electric Co., Ontario.....	Electric flat irons
Lockheed Aircraft Service Co., Ontario.....	Aerospace products

#### 500-1000 Employees

Sunkist Growers, Orange Products Division, Ontario.....	Citrus products
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#### 250-500 Employees

General Knit of California, Cucamonga.....	Fabric manufacturing
General Electric Co., Ontario International Airport.....	Wheels, auto accessories, and die casting
PARCO (Plastic and Rubber Products), Ontario.....	Rubber products
Progress Bulletin Publishing Co., Ontario.....	Newspaper publishing
Shrink-Pack, Ontario.....	Plastic wrap for fruits and vegetables
Texfi West, Ontario.....	Dyeing and finishing knit fabric
Med-Econ Products, Ontario.....	Disposable medical products
Neward Die & Manufacturing Co., Upland.....	Custom and plastic molding, hand vacuum pumps
Etiwanda Steel Producers, Inc., Etiwanda.....	Reinforcing steel bars, welded wire mesh

#### 100-250 Employees

18 Biltmore Mobile Homes, Chino.....	Mobile Homes
Columbia Ribbon & Carbon Manufacturing Co., Cucamonga .....	Carbon products and printing supplies
Data-Design Laboratories, Cucamonga.....	Electronics, technical training and education materials
Doughboy Recreational, Cucamonga.....	Swimming pool equipment
Fasson, Cucamonga.....	Pressure sensitive adhesive coated paper, film and foils
Foremost Furniture Factories of California, Cucamonga..	Wood household furniture
Frito-Lay, Inc., Cucamonga.....	Snack foods
Jelco, Inc., Cucamonga.....	Construction of power lines and substations
Mobile Industries, Inc., Cucamonga.....	Mobile homes
Otis Elevator, Cucamonga.....	Elevators, moving stairways
Robert Manufacturing Co., Cucamonga.....	Fittings, valves and flex connectors
Safetron Systems Corp., Cucamonga.....	Railroad electronic signalling and communication equipment
Santa Ana Mobile Homes, Cucamonga.....	Mobile homes
Sunshine Foods, Cucamonga.....	Egg production and marketing
Brawley Steel, Inc., Fontana.....	Reinforcing steel
Fontana Slag Co., Fontana.....	Slag and metallic reclamation
Fontana Steel, Fontana.....	Reinforcing steel
Fontana Rehabilitation Workshop, Fontana.....	Metal working
Inland Steel Fabrication, Fontana.....	Structural steel
International Mill Service, Fontana Slag Co., Fontana....	Processor of slag and metallic reclamation
Wittman Steel Mills, Fontana.....	Reinforcing steel
MSI Data Corporation, Montclair.....	Computer terminals
Armstrong Nurseries, Ontario.....	Nursery stock
Cal-Alloy, Ontario.....	Die casting
Don Rancho, Inc., Ontario.....	Boys' and men's sportswear
Hooker Industries, Inc., Ontario.....	Exhaust systems
International Mobile Homes, Ontario.....	Mobile homes
National Homes, Ontario.....	Mobile homes
Pace Arrow, Inc., Ontario.....	Motor homes
Pactra Industries, Upland.....	Hobby paint
Trans-Container Corp., Upland.....	Plastic containers and cups
Upland Lemon Growers Assn., Upland.....	Citrus harvesting
National Can Corp., Etiwanda.....	Metal cans



land sales and development has advanced quickly. The county's general plan program and the district's program for nonreclaimable industrial waste lines accelerated this growth.

During 1973 Southern Pacific completed construction of its \$39 million freight classification yard on 560 acres along the side of its main lines between Colton and Fontana, just adjacent to CBMWD. Other developments during 1973 included:

- Tressel Box Company located in Chino.
- La Victoria Foods constructed a 173,800 square foot food processing plant in Chino.
- An initial 50-acre, fully-developed industrial park was constructed in West Ontario.

During 1974, the following industrial developments occurred:

- Dow Chemical Company purchased 266 acres of land in Etiwanda for light manufacturing purposes.
- Bandag, Inc., an international producer of precured tread rubber and equipment serving about 700 franchise dealers in 74 countries and the U.S., constructed a \$4 million plant in Chino.
- Kaiser Steel Corporation installed a third downcoiler in its hot strip mill at Fontana at a cost of \$3.5 million.
- Sunkist Growers constructed a \$2.5 million research center in Ontario.

Finally, during 1975 the following firms have located in the district:

- PolyPlastics Products began construction in Cucamonga of a 10,000 square foot plant that will produce underground utility structures using molded plastic foam.
- General Knit of California opened a fully integrated mill in Cucamonga, which currently employs 300 people.

- International Forest Products, a lumber remanufacturing plant arrived in Chino.
- Zentec, Inc., a metal reclamation and refining plant began operation in Fontana.
- Global Coatings, Inc., involved in cleaning and pre-priming raw steel, plans to begin construction of its plant in early summer.

NORTON AIR FORCE BASE

One of the major employers in San Bernardino County is Norton Air Force Base, located about 12 miles east of CBMWD's eastern boundary. The base is the principal installation for the 63rd Military Airlift Wing, part of the Military Airlift Command. Its four squadrons of DC-141 Starlifters constitute a worldwide military air transport operation, providing the airlift of troops, cargo, military equipment, passengers and mail.

The base occupies approximately 2,000 acres within the City of San Bernardino. Current civilian employment is 2,850 and military personnel number about 6,000. Total annual payroll for both military and civilian personnel is over \$103,000,000.

AGRICULTURE

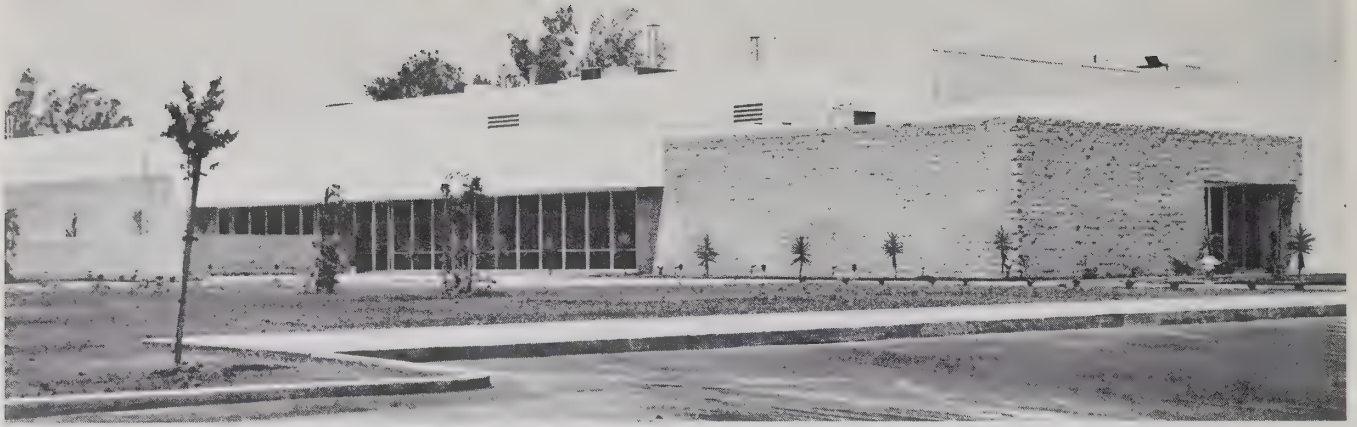
Agricultural production in 1974 for the Chino Basin area and for all of San Bernardino County is shown in the following table.

The total San Bernardino County agricultural product value in 1974 was \$285,603,600. This was the highest gross receipts ever recorded for the county and represented an increase of about \$22,153,500 over the 1973 product value. The increase is primarily due to an increase in milk produced and the price of milk (\$151,820,000).

CHINO BASIN AREA  
AGRICULTURAL PRODUCTION AND VALUATION, 1974

	Chino Basin Area		San Bernardino County	
	Acres	Valuation	Acres	Valuation
Livestock and poultry.....	—	\$170,783,500	—	\$243,753,900
Apiary products.....	—	n.a.	—	1,174,000
Fruits and nuts.....	1,309	442,700	30,149	20,596,500
Vegetable crops.....	877	1,432,600	1,688	3,454,500
Seed crops (alfalfa and flowers).....	n.a.	n.a.	118	96,900
Field crops.....	16,210*	4,175,900*	51,503	12,065,100
Nursery products.....	n.a.	n.a.	230	4,462,700
Total.....	18,396	\$176,834,700	83,688	\$285,603,600

\* Includes seeds and nursery products.  
Source: San Bernardino County Agricultural Commissioner.



*Above:* Frito-Lay, Inc. is a major producer of snack foods and one of the users of the Chino Basin Municipal Water District's nonreclaimable waste system.



*Left:* Union Carbide's Linde Air Products Division is an important supplier of oxygen, nitrogen, and hydrogen to surrounding industry.

*Below:* Ontario International Airport serves the Riverside-San Bernardino-Ontario metropolitan area and is the auxiliary airport when Los Angeles International is closed by weather. Over 1 million passengers used the airport during 1974. *Ontario International Airport photo.*





The 25 square mile area surrounding the City of Chino is one of the most productive agricultural areas in Southern California. San Bernardino County is the leading milk producing county in the nation, and the Chino area includes 302 of 317 dairies in San Bernardino County. The Chino-Ontario area is also one of California's leading horse-breeding areas.

In 1974, the Chino Basin area accounted for 61.9 percent of San Bernardino County's total agricultural product valuation. Livestock and poultry have the largest product value (85.3 percent) and the Chino area accounted for more than \$107.8 million of the \$243.8 million product value for livestock and poultry.

Other major products of San Bernardino County include: eggs (\$53,574,000); cattle and calves (\$16,728,000); lemons (\$9,214,800); turkeys (\$7,745,400); alfalfa hay (\$6,834,700); and pullets (\$5,445,200). There are a total of eighteen crops in the county valued at one million dollars or more.

## ONTARIO INTERNATIONAL AIRPORT

An airport of increasing importance, Ontario International Airport (OIA) serves a population of approximately 3,000,000 in an area extending from Pasadena on the west to Riverside and San Bernardino on the east and including portions of north Orange County. Seven major air carriers provide daily service from OIA. They include Air California, Hughes Air West, Western, Continental, PSA, American and United Airlines. Golden West Airlines, a commuter line, provides connecting flights between Ontario and Los Angeles airports. In 1974, OIA served 1,078,000 passengers and handled total air cargo shipments of 6,550,000 pounds.

Operation of the airport is now under the control of the Los Angeles Department of Airports. The Department will spend more than \$100 million in improvements at Ontario in accordance with its master plan. About 320 acres of land have been purchased for airport expansion. Plans for the airport include construction of a two-story 12-gate terminal building, 29 acres of parking lot and additional runways. Expansion and improvements of the terminal building have been continuing since 1970, and the airport now has parking for 1,725 cars. A \$220,000 Instrument Landing System, which will permit instrument approaches to the airport from both ends of the main runway, is currently being installed by the Federal Aviation Administration. An environmental study for the construction of a new main runway is now in its second phase. By 1980, the airport is expected to accommodate 15 to 18 million passengers annually.

Other airports in San Bernardino Valley include the Chino Airport and Cable Airport at Upland, both of which accommodate private aircraft. Rialto Municipal Airport recently completed an expansion at a cost of over \$1 million that included construction of a 3,600 foot runway. Rialto Airport, extending over 166 acres,

handles both private and commercial aircraft. Tri-City Airport and Colton-San Bernardino Airports also serve private aircraft in the Valley.

## HIGHWAYS

The Chino Basin area is served by a network of freeways and highways, providing access to Los Angeles and to other major points in Southern California. Interstate 10 (San Bernardino Freeway) runs in an east-west direction linking Montclair and Ontario to the Los Angeles and Riverside areas. Interstate 60 and U.S. 66 also traverse the district in an east-west direction. Interstate 60 runs through the Chino area near Upland and Cucamonga. Other highways in the area are State 83 and 71, both running through the district in a north-south direction. Interstate 15, leading to the Las Vegas area, runs north-south immediately east of the district. The Devore Freeway, State Route 31, is currently under construction with completion expected during 1976-77. The freeway will travel through the eastern half of San Bernardino County in a north-south direction. Another planned east-west freeway is State Route 30, the Foothill Freeway, which will run along the north boundary of the district. Construction of State Route 30 is expected to begin in the 1980's.

The highways in the district are heavily traveled, thus reflecting their important role in providing access to employment, recreation and other activities in the Los Angeles area and throughout Southern California. In 1973, Interstate 10 had average daily traffic of 100,000 at the Los Angeles/San Bernardino County line and has one of the highest traffic counts in the district. State Route 60 which also leads to Los Angeles recorded average daily traffic of 28,500 in 1973.

Two transcontinental bus lines, Greyhound and Continental, and more than 50 truck lines serve the area. Southern California Rapid Transit District buses operate between cities in the Chino Basin area and Los Angeles. A local bus system also serves within Montclair, Ontario and Cucamonga.

## RAILROADS

Main lines of four transcontinental railroads, Santa Fe, Southern Pacific, Union Pacific and AMTRAK, pass through the district and serve all of its major industrial areas. Southern Pacific's Colton-Palmdale Cut-off which bypasses Los Angeles runs through the district, providing direct freight service to points east and north of the district. Southern Pacific's completely computerized classification yard at Colton is capable of receiving over 1,400 cars and classifying 2,900 cars per day, further enhancing Chino Basin Municipal Water District's desirability for industrial development. The classification yard is served by CBMWD's nonreclaimable waste line.

## BUILDING ACTIVITY

Building activity for the five district cities and San Bernardino County as a whole is shown in the following table. Total building valuation for the five district cities account for about 30 percent of San Bernardino County's total building valuation.

Construction activity in California has been declining since 1972. With the exception of non-residential building activity in the Chino Basin area for 1973, this trend

is also reflected in building activity for the Chino Basin and all of San Bernardino County.

## RETAIL TRADE

A five-year summary of retail sales in the five district cities and in San Bernardino County as a whole are shown in the following table. The five cities represent about 25 percent of the county's total retail sales. Data are not available on total sales in the unincorporated portions of the district.

### RETAIL SALES CITIES IN CHINO BASIN (In Thousands)

	1970	1971	1972	1973	1974	Percent Increase 1970-1975
Chino .....	25,371	27,693	33,597	40,324	46,793	84%
Fontana .....	40,868	44,078	51,378	57,956	62,431	52
Montclair .....	80,175	90,951	106,648	123,591	147,460	83
Ontario .....	113,462	118,746	131,543	147,862	150,845	32
Upland .....	40,634	48,667	56,471	66,890	72,656	78
Five City Total .....	300,510	330,135	379,637	436,623	480,185	59
San Bernardino County .....	1,171,515	1,258,663	1,472,978	1,686,423	1,823,841	55

Sources: California State Board of Equalization.

### CHINO BASIN AREA BUILDING ACTIVITY (In thousands of dollars)

Five District Cities*	Total Residential Units	Residential Valuation	Commercial/ Industrial/ Other Valuations	Total Building Valuation
1970 .....	1,339	\$ 16,840	\$15,674	\$ 32,514
1971 .....	1,550	23,895	19,648	43,543
1972 .....	3,304	51,765	14,785	66,550
1973 .....	2,218	50,287	32,381	82,668
1974 .....	1,364	38,567	22,919	61,486
San Bernardino County				
1970 .....	5,010	\$ 84,089	\$68,400	\$152,489
1971 .....	7,943	136,296	89,934	226,230
1972 .....	9,920	170,013	73,991	244,004
1973 .....	7,152	153,279	90,455	243,734
1974 .....	4,107	119,449	78,019	197,468

\* Includes Chino, Fontana, Montclair, Ontario and Upland.

Source: Security Pacific Bank, **California Construction Trends**.



## EDUCATION

Residents of the Chino Basin area have access to many fine public and private institutions of higher learning. Located within a 25 mile radius of the area, these institutions contribute to employment and to the academic and cultural life of this community.

CBMWD is located within the Chaffey Junior College District, which operates Chaffey College at Alta Loma. Chaffey College has a day and night enrollment in excess of 8,000 students.

In close proximity to Chino Basin are the following respected institutions of higher education:

The Associated Colleges of Claremont (Pomona, Claremont Mens', Harvey Mudd, Scripps, Pitzer and Claremont Graduate School and University Center).

California State University, Fullerton.

La Verne College, La Verne.

California State University, Los Angeles.

University of Loma Linda, Loma Linda.

Chapman College, Orange.

California Institute of Technology, Pasadena.

University of Redlands, Redlands.

University of California, Riverside.

California State Polytechnic University, Pomona.

California State University, San Bernardino.

Whittier College, Whittier.

Southern California School of Theology, Claremont.

## RECREATION

CBMWD enjoys a diversity of year-round recreation. Located within a 30-40 mile radius of the district are beaches, mountain resorts, desert resorts and the many cultural attractions of Southern California. The freeway system further enhances access to a wide choice of recreational opportunities. Residents of the Chino area can pursue fishing, hunting, camping and skiing at Big Bear Lake, Mt. San Jacinto Wilderness Area, Silverwood Lake Recreation Area and at other mountain resorts. Desert spots such as Palm Springs, Desert Hot Springs and the Salton Sea as well as Apple Valley and Lucerne Valley provide golfing, hiking and water-related sports activities. Newport Beach, Balboa and Huntington Beach, all located within an hour's drive, further provide a variety of water activities, such as boating, surfing, fishing and swimming.

Disneyland and Knott's Berry Farm are within a 25-mile drive of the Chino area. Chino Basin residents are also nearby to enjoy the many cultural opportunities of the Los Angeles area—the Los Angeles Philharmonic Orchestra, the Huntington Library and Art Gallery, the Los Angeles Civic Light Opera, to name a few. Listed below are other recreational and cultural facilities available to Chino residents within an hour's drive:

*Spectator Sports:* Professional: L.A. Dodgers, California Angels, L.A. Rams, L.A. Kings, L.A. Lakers. Collegiate teams: UCLA, USC, Rosebowl, state-college league, local, private and community college

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Chaffey College in Alta Loma is a two-year community college which serves all of the residents of Chino Basin Municipal Water District. *Chaffey College photo.*







Dairying is an important industry in the district, particularly around the City of Chino. The district is currently working with the dairy industry on a project involving the separation of cattle wastes into silage, protein, and ash. The project is a pilot plant, partially funded by an Environmental Protection Agency demonstration grant. *Dairyman Magazine photo.*

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leagues. Horseracing: Santa Anita, Hollywood Park, Los Angeles and Orange County Fairs. Auto Racing: Ontario Motor Speedway, Riverside International Raceway and organized drag strips.

*Culture:* San Bernardino Symphony Orchestra, Redlands Community Orchestra, Redlands University Orchestra, San Bernardino Civic Light Opera. Major road companies of Broadway shows. Theatre production by universities and colleges. Community concert associations. Los Angeles County Museum, San Bernardino Art Association Gallery, V. Tom and Ann Peppers Art Center, University of Redlands.

*Special Places:* Mt. Wilson Observatory, Marineland, Palm Springs Aerial Tramway, Hollywood Bowl, Los

Angeles Civic Center, Redlands Bowl.

*Fairs/Convention Centers:* National Orange Show, Los Angeles County Fair, Orange County Fair, Anaheim Convention Center, San Bernardino Municipal Auditorium, San Bernardino Cultural Center.

Within the district, there are over eleven public golf courses, 24 public tennis courts, 36 parks (with more than 625 acres of picnic, hiking and green areas) and 41 playgrounds for local recreation. In 1974, the Cucamonga-Guasti Regional Park, covering 54 acres and developed at a cost of \$1.2 million, was opened to the public. Located off of Interstate 10 between Cucamonga and Ontario, the park features a swimming lagoon, twin lakes, a children's playground and picnic areas.

#### SAN BERNARDINO COUNTY SELECTED ECONOMIC INDICATORS (000)

	1967	1968	1969	1970	1974
Assessed valuation.....	\$1,426,268	\$1,495,947	\$1,497,600	\$1,581,888	\$2,216,685
Personal income .....	1,797,368	1,961,729	2,147,362	n.a.	2,688,730*
Taxable retail sales.....	657,999	759,732	839,623	877,664	1,823,841
Agricultural production.....	135,919	131,359	145,768	167,079	285,604
Building permit volume.....	114,538	136,363	140,487	157,743	9,815
Engineering contracts.....	69,886	51,305	77,528	119,432	n.a.
Real Estate loans.....	450,324	491,440	492,855	507,146	31,069

\* 1973 estimates.



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